

.....
(Original Signature of Member)

108TH CONGRESS
2^D SESSION

H. R. _____

IN THE HOUSE OF REPRESENTATIVES

Mr. NUSSLE introduced the following bill; which was referred to the
Committee on _____

A BILL

To amend part C of the Balanced Budget and Emergency
Deficit Control Act of 1985 to establish discretionary
spending limits and a pay-as-you-go requirement for
mandatory spending.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Spending Control Act
5 of 2004”.

1 **SEC. 2. EXTENSION OF DISCRETIONARY SPENDING LIMITS.**

2 (a) DISCRETIONARY SPENDING LIMITS.—(1) Section
3 251(c)(1) of the Balanced Budget and Emergency Deficit
4 Control Act of 1985 (relating to fiscal year 2004) is
5 amended—

6 (A) in subparagraph (A), by striking
7 “\$31,834,000,000” and inserting
8 “\$28,052,000,000”; and

9 (B) in subparagraph (B), by striking
10 “\$1,462,000,000” and inserting “\$1,436,000,000”
11 and by striking “\$6,629,000,000” and inserting
12 “\$6,271,000,000”.

13 (2) Section 251(c)(2) of the Balanced Budget and
14 Emergency Deficit Control Act of 1985 is amended by in-
15 serting a dash after “2005”, by redesignating the remain-
16 ing portion of such paragraph as subparagraph (D) and
17 by moving it two ems to the right, and by inserting after
18 the dash the following new subparagraphs:

19 “(A) for the general purpose discretionary
20 category: \$817,726,000,000 in new budget au-
21 thority and \$866,056,000,000 in outlays;

22 “(B) for the highway category:
23 \$30,585,000,000 in outlays; and

24 “(C) for the mass transit category:
25 \$1,554,000,000 in new budget authority and
26 \$6,787,000,000 in outlays; and”.

1 (3) Section 251(c)(3) of the Balanced Budget and
2 Emergency Deficit Control Act of 1985 is amended by in-
3 serting a dash after “2006”, by redesignating the remain-
4 ing portion of such paragraph as subparagraph (D) and
5 by moving it two ems to the right, and by inserting after
6 the dash the following new subparagraphs:

7 “(A) for the general purpose discretionary
8 category: \$839,167,000,000 in new budget au-
9 thority and \$851,731,000,000 in outlays;

10 “(B) for the highway category:
11 \$33,271,000,000 in outlays; and

12 “(C) for the mass transit category:
13 \$1,671,000,000 in new budget authority and
14 \$7,585,000,000 in outlays; and”.

15 (4) Section 251(c) of the Balanced Budget and
16 Emergency Deficit Control Act of 1985 is amended by re-
17 designating paragraphs (4) through (9) as paragraphs (7)
18 through (12) and inserting after paragraph (3) the fol-
19 lowing new paragraphs:

20 “(4) with respect to fiscal year 2007—

21 “(A) for the highway category:
22 \$35,248,000,000 in outlays; and

23 “(B) for the mass transit category:
24 \$1,785,000,000 in new budget authority and
25 \$8,110,000,000 in outlays;

1 “(5) with respect to fiscal year 2008—

2 “(A) for the highway category:

3 \$36,587,000,000 in outlays; and

4 “(B) for the mass transit category:

5 \$1,890,000,000 in new budget authority and

6 \$8,517,000,000 in outlays; and

7 “(6) with respect to fiscal year 2009—

8 “(A) for the highway category:

9 \$37,682,000,000 in outlays; and

10 “(B) for the mass transit category:

11 \$2,017,000,000 in new budget authority and

12 \$8,968,000,000 in outlays;”.

13 (b) DEFINITIONS.—Section 250(c)(4) of the Bal-
14 anced Budget and Emergency Deficit Control Act of 1985
15 is amended—

16 (1) in subparagraph (B), by—

17 (A) striking “the Transportation Equity
18 Act for the 21st Century and the Surface
19 Transportation Extension Act of 2003” and in-
20 serting “the Transportation Equity Act: A Leg-
21 acy for Users”; and

22 (B) inserting before the period at the end
23 the following new clauses:

24 “(v) 69-8158-0-7-401 (Motor Carrier Safe-
25 ty Grants).

1 “(vi) 69-8159-0-7-401 (Motor Carrier
2 Safety Operations and Programs).”;

3 (2) in subparagraph (C), by—

4 (A) inserting “(and successor accounts)”
5 after “budget accounts”; and

6 (B) striking “the Transportation Equity
7 Act for the 21st Century and the Surface
8 Transportation Extension Act of 2003 or for
9 which appropriations are provided pursuant to
10 authorizations contained in those Acts (except
11 that appropriations provided pursuant to sec-
12 tion 5338(h) of title 49, United States Code, as
13 amended by the Transportation Equity Act for
14 the 21st Century, shall not be included in this
15 category)” and inserting “the Transportation
16 Equity Act: A Legacy for Users or for which
17 appropriations are provided pursuant to author-
18 izations contained in that Act”; and

19 (3) in subparagraph (D)(ii), by striking “sec-
20 tion 8103 of the Transportation Equity Act for the
21 21st Century” and inserting “section 8103 of the
22 Transportation Equity Act: A Legacy for Users”.

1 **SEC. 3. ADJUSTMENTS TO ALIGN HIGHWAY SPENDING**
2 **WITH REVENUES.**

3 Subparagraphs (B) through (E) of section 251(b)(1)
4 of the Balanced Budget and Emergency Deficit Control
5 Act of 1985 are amended to read as follows:

6 “(B) ADJUSTMENT TO ALIGN HIGHWAY
7 SPENDING WITH REVENUES.—(i) When the
8 President submits the budget under section
9 1105 of title 31, United States Code, OMB
10 shall calculate and the budget shall make ad-
11 justments to the highway category for the budg-
12 et year and each outyear as provided in clause
13 (ii)(I)(cc).

14 “(ii)(I)(aa) OMB shall take the actual level
15 of highway receipts for the year before the cur-
16 rent year and subtract the sum of the estimated
17 level of highway receipts in subclause (II) plus
18 any amount previously calculated under item
19 (bb) for that year.

20 (bb) OMB shall take the current estimate
21 of highway receipts for the current year and
22 subtract the estimated level of receipts for that
23 year.

24 “(cc) OMB shall add one-half of the sum
25 of the amount calculated under items (aa) and
26 (bb) to the obligation limitations set forth in

1 the section 8103 of the Transportation Equity
2 Act: A Legacy for Users and, using current es-
3 timates, calculate the outlay change resulting
4 from the change in obligations for the budget
5 year and the first outyear and the outlays flow-
6 ing therefrom through subsequent fiscal years.
7 After making the calculations under the pre-
8 ceding sentence, OMB shall adjust the amount
9 of obligations set forth in that section for the
10 budget year and the first outyear by adding
11 one-half of the sum of the amount calculated
12 under items (aa) and (bb) to each such year.

13 “(II) The estimated level of highway re-
14 ceipts for the purposes of this clause are—

15 “(aa) for fiscal year 2004,
16 \$30,572,000,000;

17 “(bb) for fiscal year 2005,
18 \$34,260,000,000;

19 “(cc) for fiscal year 2006,
20 \$35,586,000,000;

21 “(dd) for fiscal year 2007,
22 \$36,570,000,000;

23 “(ee) for fiscal year 2008,
24 \$37,603,000,000; and

1 “(ff) for fiscal year 2009,
2 \$38,651,000,000.

3 “(III) In this clause, the term ‘highway re-
4 ceipts’ means the governmental receipts cred-
5 ited to the highway account of the Highway
6 Trust Fund.

7 “(C) In addition to the adjustment required by
8 subparagraph (B), when the President submits the
9 budget under section 1105 of title 31, United States
10 Code, for fiscal year 2006, 2007, 2008, or 2009,
11 OMB shall calculate and the budget shall include for
12 the budget year and each outyear an adjustment to
13 the limits on outlays for the highway category and
14 the mass transit category equal to—

15 “(i) the outlays for the applicable category
16 calculated assuming obligation levels consistent
17 with the estimates prepared pursuant to sub-
18 paragraph (D), as adjusted, using current tech-
19 nical assumptions; minus

20 “(ii) the outlays for the applicable category
21 set forth in the subparagraph (D) estimates, as
22 adjusted.

23 “(D)(i) When OMB and CBO submit their final
24 sequester report for fiscal year 2004, that report
25 shall include an estimate of the outlays for each of

1 the categories that would result in fiscal years 2005
2 through 2009 from obligations at the levels specified
3 in section 8103 of the Transportation Equity Act: A
4 Legacy for Users using current assumptions.

5 “(ii) When the President submits the budget
6 under section 1105 of title 31, United States Code,
7 for fiscal year 2006, 2007, 2008, or 2009, OMB
8 shall adjust the estimates made in clause (i) by the
9 adjustments by subparagraphs (B) and (C).

10 “(E) OMB shall consult with the Committees
11 on the Budget and include a report on adjustments
12 under subparagraphs (B) and (C) in the preview re-
13 port.”.

14 **SEC. 4. LEVEL OF OBLIGATION LIMITATIONS.**

15 (a) HIGHWAY CATEGORY.—For the purposes of sec-
16 tion 251(b) of the Balanced Budget and Emergency Def-
17 icit Control Act of 1985, the level of obligation limitations
18 for the highway category is—

- 19 (1) for fiscal year 2004, \$34,309,000,000;
- 20 (2) for fiscal year 2005, \$35,671,000,000;
- 21 (3) for fiscal year 2006, \$36,719,000,000;
- 22 (4) for fiscal year 2007, \$37,800,000,000;
- 23 (5) for fiscal year 2008, \$38,913,000,000; and
- 24 (6) for fiscal year 2009, \$40,061,000,000.

1 (b) MASS TRANSIT CATEGORY.—For the purposes of
2 section 251(b) of the Balanced Budget and Emergency
3 Deficit Control Act of 1985, the level of obligation limita-
4 tions for the mass transit category is—

5 (1) for fiscal year 2004, \$7,266,000,000;

6 (2) for fiscal year 2005, \$7,750,000,000;

7 (3) for fiscal year 2006, \$8,266,000,000;

8 (4) for fiscal year 2007, \$8,816,000,000;

9 (5) for fiscal year 2008, \$9,403,000,000; and

10 (6) for fiscal year 2009, \$10,029,000,000.

11 For purposes of this subsection, the term “obligation limi-
12 tations” means the sum of budget authority and obligation
13 limitations.

14 **SEC. 5. ADVANCE APPROPRIATIONS.**

15 Section 251 of the Balanced Budget and Emergency
16 Deficit Control Act of 1985 is amended by adding at the
17 end the following new subsection:

18 “(d) ADVANCE APPROPRIATIONS.—In any of fiscal
19 years 2005 through 2006, discretionary advance appro-
20 priations provided in appropriation Acts in excess of
21 \$23,558,000,000 shall be counted against the discre-
22 tionary spending limits for the fiscal year for which the
23 appropriation Act containing the advance appropriation is
24 enacted.”.

1 **SEC. 6. EXTENSION OF PAY-AS-YOU-GO REQUIREMENT.**

2 (a) PURPOSE.—Section 252(a) of the Balanced
3 Budget and Emergency Deficit Control Act of 1985 is
4 amended to read as follows:

5 “(a) PURPOSE.—The purpose of this section is to as-
6 sure that any legislation that is enacted before October
7 1, 2009, that causes a net increase in direct spending will
8 trigger an offsetting sequestration.”.

9 (b) TIMING.—Section 252(b)(1) of the Balanced
10 Budget and Emergency Deficit Control Act of 1985 is
11 amended by striking “any net deficit increase” and all
12 that follows through “2002,” and by inserting “any net
13 increase in direct spending enacted before October 1,
14 2009,”.

15 (c) CALCULATION OF DIRECT SPENDING IN-
16 CREASE.—Section 252(b)(2) of the Balanced Budget and
17 Emergency Deficit Control Act of 1985 is amended—

18 (1) by striking “deficit” the first place it ap-
19 pears and inserting “direct spending”;

20 (2) in subparagraph (A) by striking “and re-
21 ceipts”;

22 (3) in subparagraph (C) by striking “and re-
23 ceipts”; and

24 (4) by amending the heading to read as follows:

25 “CALCULATION OF DIRECT SPENDING INCREASE.—
26 ”.

1 (d) CONFORMING AMENDMENTS.—(1) The heading
2 of section 252(c) of the Balanced Budget and Emergency
3 Deficit Control Act of 1985 is amended to read as follows:
4 “ELIMINATING A DIRECT SPENDING INCREASE.—”.

5 (2) Paragraphs (1), (2), and (4) of section 252(d)
6 of the Balanced Budget and Emergency Deficit Control
7 Act of 1985 are amended by striking “or receipts” each
8 place it appears.

9 (3) Section 252(e) of the Balanced Budget and
10 Emergency Deficit Control Act of 1985 is amended by
11 striking “or receipts” and by striking “, outlays, and re-
12 ceipts” and inserting “and outlays”.

13 (4) Section 254(c)(3) of the Balanced Budget and
14 Emergency Deficit Control Act of 1985 is amended—

15 (A) in subparagraph (A) by striking “net deficit
16 increase or decrease” and by inserting “net increase
17 or decrease in direct spending”;

18 (B) in subparagraph (B) by striking “amount
19 of deficit increase or decrease” and by inserting “in-
20 crease or decrease in direct spending”; and

21 (C) in subparagraph (C) by striking “a deficit
22 increase” and by inserting “an increase in direct
23 spending”.

1 **SEC. 7. DEFINITIONS.**

2 (a) IN GENERAL.—Section 250(c) of the Balanced
3 Budget and Emergency Deficit Control Act of 1985 is
4 amended by adding at the end the following new para-
5 graphs:

6 “(20) The term ‘advance appropriation’ means
7 appropriations that first become available one fiscal
8 year or more beyond the fiscal year for which an ap-
9 propriation Act making such funds available is en-
10 acted.

11 “(21)(A) Except as provided by subparagraph
12 (B), the term ‘emergency requirement’ means any
13 provision that provides new budget authority and re-
14 sulting outlays for a situation that poses a threat to
15 life, property, or national security and is—

16 “(i) sudden, quickly coming into being, and
17 not building up over time;

18 “(ii) an urgent, pressing, and compelling
19 need requiring immediate action;

20 “(iii) subject to subparagraph (B), unfore-
21 seen, unpredictable, and unanticipated; and

22 “(iv) not permanent, temporary in nature.

23 “(B) An emergency that is part of an aggregate
24 level of anticipated emergencies, particularly when
25 normally estimated in advance, is not unforeseen.”.

1 (b) FIRE SUPPRESSION; CONTINGENCY OPERATIONS
2 RELATED TO GLOBAL WAR ON TERRORISM.—Section
3 251(b)(2) of the Balanced Budget and Emergency Deficit
4 Control Act of 1985 is amended by adding at the end the
5 following new subparagraph:

6 “(I) FIRE SUPPRESSION.—(i) If a bill or
7 joint resolution is enacted that provides new
8 budget authority for wildland fire suppression
9 for fiscal year 2005 or fiscal year 2006 that
10 would cause the level of total new budget au-
11 thority for wildland fire suppression to exceed
12 the base amount for that fiscal year, the adjust-
13 ment for that fiscal year shall be the additional
14 new budget authority provided for such purpose
15 and the additional outlays flowing from such
16 amounts, but shall not exceed—

17 “(I) for the Forest Service for fiscal year
18 2005 or fiscal year 2006 (as applicable),
19 \$400,000,000; and

20 “(II) for the Department of the Interior
21 for fiscal year 2005 or fiscal year 2006 (as ap-
22 plicable), \$100,000,000.

23 “(ii) For this subparagraph, the term “base
24 amount” refers to the average of the obligations of
25 the 10 fiscal years preceding the current year for

1 wildfire suppression in the Forest Service and in the
2 Department of the Interior, as calculated by OMB,
3 but for fiscal year 2005 the base amount is
4 \$880,000,000.

5 “(J) CONTINGENCY OPERATIONS RELATED
6 TO GLOBAL WAR ON TERRORISM.—If, for fiscal
7 year 2005, appropriations for discretionary ac-
8 counts are enacted for contingency operations
9 related to the global war on terrorism that, pur-
10 suant to this subparagraph, the President des-
11 ignates as a contingency operation related to
12 the global war on terrorism and the Congress
13 so designates in statute, the adjustment shall be
14 the total of such appropriations in discretionary
15 accounts so designated, but not to exceed
16 \$50,000,000,000, and the outlays flowing in all
17 fiscal years from such appropriations.”.

18 (c) CONFORMING AMENDMENT.—The second sen-
19 tence of section 250(c)(4)(A) of the Balanced Budget and
20 Emergency Deficit Control Act of 1985 is amended to
21 read as follows: “The general purpose discretionary cat-
22 egory shall consist of accounts designated in the joint ex-
23 planatory statement of managers accompanying the con-
24 ference report on the Spending Control Act of 2004.”.

1 **SEC. 8. PROJECTIONS UNDER SECTION 257.**

2 Section 257(c) of the Balanced Budget and Emer-
3 gency Deficit Control Act of 1985 is amended by inserting
4 after paragraph (6) the following new paragraph:

5 “(7) EMERGENCIES.—New budgetary resources
6 designated under section 251(b)(2)(A) or
7 251(b)(2)(J) shall not be assumed beyond the fiscal
8 year for which they have been enacted.”.

9 **SEC. 9. EXCEPTION FOR OUTLAY COMPONENTS OF EXPIR-**
10 **ING RECEIPTS LEGISLATION.**

11 Section 252(d)(4) of the Balanced Budget and Emer-
12 gency Deficit Control Act of 1985 is amended by striking
13 “and” at the end of subparagraph (A), by striking the
14 period and inserting “; and” at the end of subparagraph
15 (B), and by adding at the end the following new subpara-
16 graph:

17 “(C) extending provisions in the Economic
18 Growth and Tax Relief Reconciliation Act of
19 2001 or provisions in sections 101 through 104,
20 section 202, or sections 301 and 302 of the
21 Jobs and Growth Tax Relief Reconciliation Act
22 of 2003.”.

23 **SEC. 10. REPORTS.**

24 Subsections (c)(2) and (f)(2)(A) of section 254 of the
25 Balanced Budget and Emergency Deficit Control Act of
26 1985 are amended by striking “2002” and inserting

1 “2006 (or 2009 solely for purposes of enforcing the discre-
2 tionary spending limits for the highway and mass transit
3 categories)”.

4 **SEC. 11. EXPIRATION.**

5 Section 275(b) of the Balanced Budget and Emer-
6 gency Deficit Control Act of 1985 is amended by striking
7 “2002” and inserting “2006 (or 2009 solely for purposes
8 of enforcing the discretionary spending limits for the high-
9 way and mass transit categories)” and by striking “2006”
10 and inserting “2013”.

11 **SEC. 12. TECHNICAL CORRECTIONS TO THE BALANCED**
12 **BUDGET AND EMERGENCY DEFICIT CONTROL**
13 **ACT OF 1985.**

14 Part C of the Balanced Budget and Emergency Def-
15 icit Control Act of 1985 is amended as follows:

16 (1) In section 250(a), strike “SEC. 256. GEN-
17 ERAL AND SPECIAL SEQUESTRATION
18 RULES” and insert “Sec. 256. General and special
19 sequestration rules” in the item relating to section
20 256.

21 (2) In subparagraphs (F), (G), (H), (I), (J),
22 and (K) of section 250(c)(4), insert “subparagraph”
23 after “described in” each place it appears.

24 (3) In section 250(c)(18), insert “of” after “ex-
25 penses”.

1 (4) In section 251(b)(1)(A), strike “commit-
2 tees” the first place it appears and insert “Commit-
3 tees”.

4 (5) In section 251(b)(1)(C)(i), strike “fiscal
5 years” and insert “fiscal year”.

6 (6) In section 251(b)(1)(D)(ii), strike “fiscal
7 years” and insert “fiscal year”.

8 (7) In section 252(b)(2)(B), insert “the” before
9 “budget year”.

10 (8) In section 252(c)(1)(C)(i), strike “para-
11 graph (1)” and insert “subsection (b)”.

12 (9) In section 254(c)(3)(A), strike “subsection”
13 and insert “section”.

14 (10) In section 254(f)(4), strike “subsection”
15 and insert “section” and strike “sequesterable” and
16 insert “sequestrable”.

17 (11) In section 255(g)(1)(B), move the four-
18 teenth undesignated clause 2 ems to the right.

19 (12) In section 255(g)(2), insert “and” after
20 the semicolon at the end of the next-to-last undesign-
21 ated clause.

22 (13) In section 255(h)—

23 (A) strike “and” after the semicolon in the
24 ninth undesignated clause;

1 (B) insert “and” after the semicolon at the
2 end of the tenth undesignated clause; and

3 (C) strike the semicolon at the end and in-
4 sert a period.

5 (14) In section 256(k)(1), strike “paragraph
6 (5)” and insert “paragraph (6)”.

7 (15) In section 257(b)(2)(A)(i), strike
8 “differenes” and insert “differences”.